

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: January 19, 2005

Division: Monroe County Housing Authority

Bulk Item: Yes XX No

Department: Special Programs Office

AGENDA ITEM WORDING: A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, APPROVING AN AMENDMENT TO MONROE COUNTY'S STATE HOUSING INITIATIVE PARTNERSHIP (SHIP) PROGRAM, LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR STATE OF FLORIDA FISCAL YEARS 2004-2005, 2005-2006, 2006-2007.

ITEM BACKGROUND: A local Housing Assistance Plan (LHAP) is required of local governments participating in the State Housing Initiatives Partnership (SHIP) Program. Amendments to the LHAP are proposed in order to successfully implement the Program and meet the requirements of the SHIP Program imposed under Florida Statute 420.907. The proposed amendment outlines the terms of SHIP rental funding and provides a priority to applications proposing the creation of new affordable units with preference to those projects providing the greatest length of affordability and serving the lowest income households. Second priority is to applications proposing the rehabilitation of existing affordable housing with preference to those projects providing the greatest length of affordability and serving the lowest income households.

PREVIOUS RELEVANT BOCC ACTION: May 2004, Approval of the current SHIP Local Housing Assistance Plan covering State fiscal years 2004-2005, 2005-2006, 2006-2007.

CONTRACT/AGREEMENT CHANGES: None.

STAFF RECOMMENDATION: Approve.

TOTALS COST: \$0.00 **BUDGETED:** Yes No X

COST TO COUNTY: \$0.00 **SOURCE OF FUNDS:** N/A

REVENUE PRODUCING: Yes No X **AMOUNT PER:** Month Year

APPROVED BY: County Attorney. GA OMB/Purchasing Risk Management

DEPARTMENT APPROVAL:

J. Manuel Castillo, Sr., Executive Director
Monroe County Housing Authority

DOCUMENTATION: Included X To Follow Not Required

DISPOSITION:

AGENDA ITEM # 13

RESOLUTION NO. _____ - 2005

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, APPROVING AN AMENDMENT TO MONROE COUNTY'S STATE HOUSING INITIATIVE PARTNERSHIP (SHIP) PROGRAM, LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR STATE OF FLORIDA FISCAL YEARS 2004-2005, 2005-2006, 2006-2007.

WHEREAS, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907 – 420.9079, Florida Statutes (1992) and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a Local Housing Assistance Plan (LHAP) outlining how funds will be used; and,

WHEREAS, the Monroe County's Local Housing Assistance Plan for the State of Florida fiscal years 2004-2005, 2005-2006, 2006-2007 was previously adopted by the Monroe County Board of County Commissioners and approved by the Florida Housing Finance Corporation; and,

WHEREAS, the Monroe County Housing Authority, Administrator of the Monroe County's State Housing Initiative Partnership Program, is recommending approval of the attached amendment in order to equitably provide for the funding of rental projects, maximizing the public purpose use of said funds and meet expenditure requirements within F.S. 420.907 – 420.9079.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of Monroe County, Florida, that the County hereby:

Approves the Amendment to the Monroe County State Housing Initiatives Partnership (SHIP) Program, Local Housing Assistance Plan (LHAP), attached hereto as "Exhibit A", describing the type of assistance, selection criteria, income levels and other conditions necessary to apply and qualify for Monroe County SHIP Program funding under the LHAP's Rental Strategy.

PASSED AND ADOPTED, by the Board of County Commissioners of Monroe County, Florida, at a regular meeting on said Board on the _____ day of _____, A.D., 2005.

**BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA**

Mayor Spehar _____
Mayor Pro Tem McCoy _____
Commissioner Nelson _____
Commissioner Neugent _____
Commissioner Rice _____

By: _____
Mayor Dixie Spehar

SEAL

ATTEST: DANNY L. KOHLAGE
CLERK

OY: _____
Deputy Clerk

Approved as to form and legal sufficiency: _____

**MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:**

Suzanne A. Hutton

SUZANNE A. HUTTON
ASSISTANT COUNTY ATTORNEY

Date: 1/26/05

B. RENTAL STRATEGIES

Name: CONSTRUCTION/REHABILITATION

Description: Funds provided for the construction or rehabilitation of affordable housing rental units.

Fiscal Years: 2004-2005, 2005-2006 and 2006-2007

Income Level: Very low, low and moderate (tenants)

Selection Criteria: Priority shall be given to applicants in the following order until all available funding is committed/expended:

Priority #1. Applications proposing the creation of new rental units by construction or rehabilitation, ranked in the following order:

- 1a. Proposing the longest period of affordability
- 1b. Units serving very low-income tenants
- 1c. Units serving substantially (%) very low-income tenants
- 1d. Serving low-income tenants
- 1e. Serving substantially (%) low-income tenants
- 1f. Serving moderate-income tenants

The tiebreaker within priority #1 shall be the lowest SHIP per unit cost.

Priority #2 Applications proposing the rehabilitation of existing affordable rental units, ranked in the following order:

- 2a. Proposing the longest period of affordability
- 2b. Serving very low-income tenants
- 2c. Serving substantially (%) very low-income tenants
- 2d. Serving low-income tenants
- 2e. Serving substantially (%) low-income tenants
- 2f. Serving moderate-income tenants

The tiebreaker within priority #2 shall be the lowest SHIP per unit cost.

Type of Assistance: FOR PROFIT ENTITIES

For profit entities proposing construction/rehabilitation in conjunction with Florida Housing Finance Corporation (FHFC) funding are eligible for loans secured by a mortgage up to \$40,000 or that amount sufficient to satisfy the FHFC local contribution portion of the FHFC program, whichever is less. The loan is at an

interest rate of 3% with a minimum term of fifteen (15) years. Principal and interest is due upon maturity.

For profit entities proposing construction/rehabilitation are eligible for mortgages up to \$40,000 per unit. The loan is at an interest rate of 3% with a minimum term of fifteen (15) years. Principal and interest is due upon maturity. The loan may be extended in conjunction with an extension of the SHIP Rental Monitoring Agreement.

NON PROFIT ENTITIES

Non-profit entities proposing construction/rehabilitation in conjunction with Florida Housing Finance Corporation (FHFC) funding are eligible for loans secured by a mortgage up to \$40,000. The loan is at an interest rate of 0% with a minimum term of fifteen (15) years. Principal balance is forgiven at maturity.

Non-profit entities proposing construction/rehabilitation are eligible for mortgages up to \$40,000 per unit or that amount sufficient to satisfy the FHFC local contribution portion of the FHFC program, whichever is less. The loan is at an interest rate of 0% with a minimum term of fifteen (15) years. Principal balance is forgiven at maturity. The loan may be extended in conjunction with an extension of the SHIP Rental Monitoring Agreement.

Recapture:

Due and payable upon sale or transfer of the property, termination of the long term lease (greater than 15 years), failure to comply with the terms of the SHIP Rental Monitoring Agreement or Land Use Restriction Agreement (LURA) as specified above.

Other:

All entities funded under this strategy will be required to execute a SHIP Rental Monitoring Agreement and Land Use Restriction Agreement (LURA) for a minimum term of fifteen (15) years. SHIP set aside units assisted under this strategy must maintain rents that do not exceed the rent maximums published annually by the Florida Housing Finance Corporation. SHIP recipients that offer rental housing for sale within fifteen years of the SHIP award must give a right of first refusal to eligible non-profit organizations for purchase at the current market value for continued occupancy by eligible persons.